

**Term End Examination- December, 2017**  
**DIPLOMA IN ACCOUNTING**  
**Course Title: Basic Accounting**  
**Course Code: DIA-01**

**TIME – 3 Hours**  
**Full marks 100**

**GROUP-A**

Q N. 1 Answer any four questions each within 100 words [5x4=20]

- a. State the functions of accounting.
- b. What is meant by proprietary concept of accounting?
- c. Highlights the importance of cash book.
- d. What is invoice? What are the contents of it?
- e. What is meant by books of original entry?
- f. Explain the rules for debit and credit.
- g. Explain the nature of different kinds of accounts.

**GROUP B**

Q.N. 2 Answer any two questions each within 250 words [10x2=20]

- a. Distinguish between trade discount and cash discount.
- b. Differentiate journal from ledger in accounting.
- c. Discuss the importance of bank reconciliation statement.
- d. Write Journal Entries for the transactions.

10<sup>th</sup> April : Commenced business with a capital of 1,00,000  
11<sup>th</sup> April : Purchased goods from Veeru for 20,000  
13<sup>th</sup> April : Purchased Goods for Cash 15,000  
14<sup>th</sup> April : Purchased Goods from Abhiram for cash 9,000  
16<sup>th</sup> April : Bought Goods from Shyam on credit 12,000  
17<sup>th</sup> April : Sold goods worth 15,000 to Tarun  
19<sup>th</sup> April : Sold goods for cash 20,000  
20<sup>th</sup> April : Sold goods to Utsav for cash 6,000  
21<sup>st</sup> April : Sold goods to Pranav on credit 17,000  
22<sup>nd</sup> April : Returned goods to Veeru 3,000  
23<sup>rd</sup> April : Goods returned from Tarun 1,000  
25<sup>th</sup> April : Goods taken by the proprietor for personal use 1,000

**GROUP-C**

Answer three questions each within 500 words

[20x3=60]

Q.N. 3 Show the different essential elements of cheque also state the importance of cheque.

Q.N. 4 What is bank reconciliation statement? Discuss the different causes of disagreement between the balance as per cash book and pass book.

Q.N. 5 What do you mean by subsidiary book? State the advantages and disadvantages of it.

Q.N. 6 What is imprest system of petty cash book? State the importance of it.

Q.N. 7 Enter the following transactions in a two column cash book.

2016	\$
March 1 Cash in hand	80,000
March 1 Bank Balance	120,000
March 3 Received a cheque from Osman	24,000
March 4 Deposited Osman's cheque with bank	--
March 8 Withdrawn from bank for business use	20,000
March 10 Goods sold for cash	30,000
March 15 Goods bought for cash	80,000
March 18 Goods sold for cash	60,000
March 20 Paid Rahim by cheque	26,000
March 30 Deposited into bank	16,000
March 31 Paid salary in cash	10,000
March 31 Paid rent by cheque	6,000

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